

ISA Holdings Limited
 Incorporated in the Republic of South Africa
 (Registration number 1998/009608/06)
 Share code: ISA
 ISIN: ZAE000067344
 ("ISA" or "the Company")

SHORT-FORM UNAUDITED CONDENSED RESULTS FOR THE SIX MONTHS ENDED 31 AUGUST
 2021 AND CASH DIVIDEND DECLARATION

	Change	Unaudited six months ended 31 Aug 21 R'000	Unaudited six months ended 31 Aug 20 R'000	Audited year ended 28 Feb 21 R'000
Highlights from Statement of Comprehensive Income				
Turnover	8%	31,810	29,555	67,316
Profit before other income and expenses	-4%	18,264	18,991	38,505
Profit after tax	-14%	6,693	7,737	12,946
Earnings per share (cents)	-14%	4.3	5.0	8.3

Highlights from Statement of
 Financial Position

Total assets	0.3%	82,156	81,883	74,471
Cash and cash equivalents	-8%	48,819	53,277	49,261
Equity	-2%	64,318	65,363	62,773
Total liabilities	8%	17,838	16,520	11,698

Dividends and distribution

Ordinary dividend per share declared for the period (cents)	-14%	4.3	5.0	3.3
Ordinary dividend per share Paid during the period (cents)	100%	3.3	-	5.0

Net asset value per share at end of period (cents)	-2%	41.2	41.9	40.2
Headline earnings per share (cents)*	-14%	4.3	5.0	8.3
Diluted headline earnings per share (cents)*	-14%	4.3	5.0	8.3

* There have been no reconciling items that would result in a change to the
 Headline earnings per share and the Diluted headline earnings per share.

Operational Review

I am pleased to present our results for the six months ended 31 August 2021
 ("the current reporting period"), which continue to be underpinned by a high
 portion of recurring revenue, a robust balance sheet and strong cash flows.
 Despite the challenging trading conditions in which we operate, together with
 the continued pressure on the local economy, overall performance remains
 satisfactory.

Turnover increased by 8% during the current reporting period to R31.8 million compared to the previous corresponding reporting period ("the prior reporting period"), of which 85% is subscription derived and includes both third-party product subscriptions and our Managed Security Service offerings that features MSS Pulse, our internally developed security infrastructure management and monitoring framework platform.

Profit before other income and expenses declined by 4% during the current reporting period to R18.3 million, representing a gross margin of 57% compared to the prior reporting period's gross margin of 64%. This reduction in gross margin is to be expected as our revenue mix shifts to include more product sales, as opposed to the heavy concentration of higher-margin professional and managed service revenue structures seen in the prior reporting period.

Other income and operational expenditure increased by 13% to R10.1 million compared to R9.0 million in the prior reporting period. This includes a foreign exchange revaluation cost of R1.0 million in the current reporting period compared to a foreign exchange revaluation profit of R2.0 million in the prior reporting period. If we were to exclude the effects of our foreign exchange revaluation, other income and operational expenditure would have decreased by a pleasing 17% to R9.1 million from R11.1 million in the prior reporting period. At the close of the current reporting period, 83% of our R48.8 million cash reserve was held in Dollars and Pounds, and the balance was held in Rands.

Most pleasing was the 110% increase in our share of profits from our equity-accounted investment, to R603 000. DataProof recently launched a division focusing on records management and we are most encouraged by the early successes in this division.

Total comprehensive income attributable to equity shareholders for the current reporting period decreased to R6.7 million from R7.7 million in the prior reporting period, representing a decline of 14% in headline and earnings per share to 4.3 cents from 5.0 cents.

Management notes the significant increase in both trade receivables and payables, explaining that this is largely a factor of deal-flow timing as opposed to any fundamental change in their cash management practice. Illustratively, of the trade receivables at the close of the current reporting period, 96% has been receipted by the time of writing this report; and similarly, 98% of trade payables has already been settled.

Dividend Declaration

I am pleased to announce that the board has declared an interim dividend to shareholders for the six months ended 31 August 2021 of 4.3 cents per share, which will be subject to the dividend tax legislation.

The salient dates will be as follows:

Declaration date	Friday, 12 November 2021
Last day to trade	Tuesday, 7 December 2021
Shares trade ex-dividend	Wednesday, 8 December 2021
Record date	Friday, 10 December 2021
Payment date	Monday, 13 December 2021

Share certificates may not be dematerialised or rematerialised between Wednesday, 8 December 2021 and Friday, 10 December 2021, both days inclusive.

In terms of the dividend tax legislation, effective 1 April 2012, the following additional information is disclosed:

- This is a dividend as defined in the Income Tax Act, 1962, and is payable from income reserves.
- The South African dividend tax ("DT") rate is 20%.
- The DT to be withheld by the Company in respect of the ordinary dividend amounts to 0.86 cents per share.
- The net ordinary dividend payable to shareholders who are not exempt from DT is therefore 3.44 cents per share, while a gross ordinary dividend of 4.3 cents per share is payable to those shareholders who are exempt from DT.
- The issued share capital of the Company at the declaration date comprises 170 592 593 ordinary shares.
- The Company's income tax reference number is 9340/150/71/4.

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the directors of the Company. It contains only a summary of the information in the full announcement ("Full Announcement") and does not contain full or complete details. Any investment decisions by investors or shareholders should be based on the consideration of the Full Announcement. The Full Announcement is available at:

<https://senspdf.jse.co.za/documents/2021/jse/isse/isa/interim21.pdf>

and is also published on the Company's website at
<https://www.isa.co.za/sens/SENS-20211112-01.pdf>

Both the short-form announcement and the Full Announcement are also available for inspection at the registered offices of ISA and the Designated Adviser, Merchantec Capital, during business hours, and copies may be obtained at no cost on request from the Company Secretary who is contactable on +27 11 325 6363 or isa@acorim.co.za.

SPECIAL THANKS

On behalf of the board, I would like to take this opportunity to thank the ISA team for their continued dedication and hard work. My appreciation is also extended to my colleagues on the board for their wise counsel and valuable input, as well as to all stakeholders, customers and vendors for their support.

For and on behalf of the board,

Clifford Katz
Chief Executive Officer

Johannesburg
12 November 2021

Directors: CS Katz (Chief Executive Officer), PJG Green (Chief Technical Officer), P Mogoboya (Financial Director), AJ Naidoo#, C. Pillay#, DC Seaton*, N Maphothi*, O Seku*(Chairperson)

Non-executive

* Independent non-executive

Designated Adviser: Merchantec Capital

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